

Air Permit Streamlining Advisory Group Meeting –April 18, 2006
Meeting Minutes

Attendees:

Ed Wilusz (Wisconsin Paper Council), Jeff Loeffler (Wisconsin Cast Metals Association), Renee Bashel (Dept. of Commerce), Rita Lynch (Outlook Group), Jay Meyerhofer (Outlook Group), Tom Reed (Manitowoc Public Utilities), Melanie Klamar (RMT Inc.), Tom Coogan (Dept. of Commerce), Rob Bermke (Georgia-Pacific), Ken Graves (Georgia-Pacific), Howard Hoffmeister (Bemis Corporation), Jon Wright (Bemis Corporation), Susan Siepkowski (U.S. EPA), Scott Manley (WMC), Todd Palmer (DeWitt Ross and Stevens), Hank Handzel (DeWitt Ross and Stevens (WPC / PIW)), Dave Minkey (WPS), Craig Dousharm (Mercury Marine), Mike Cassidy (Kohler Company), Jason Martin (SEH), Mark Thimke (Foley and Lardner), Annabeth Reitter (Stora Enso), Tina Ball (Xcel Energy), Marci Kinter (call-in) (SGIA/ Printing Industry).

DNR Representatives: Dave Hildreth, Jeff Hanson, Marcia Penner, Kristin Hart, Caroline Garber, Mike Solomon, Jerry Medinger, Steve Dunn, Andy Stewart.

Meeting Begins 9:30 AM

Welcome, Introductions and Agenda Review, Dave Hildreth, Project Manager, DNR Air Permit Improvement Initiative

- APII process is a collaborative process. We would not be successful without the strong input and assistance from our many partners.
- We will not try to cover all aspects of the permit improvement process today, but will discuss some of the more significant and timely issues. If there are other aspects of the APII project you are interested in hearing about, please contact me and I'll do my best to provide the information you desire.
- We are planning to produce a status report on the whole APII project in September of this year.
- We all struggle to see the big picture...i.e. how all the new permitting options fit together with each other and with the existing permit program. Jeff Hanson has developed a good overview document and we want to take a few minutes later this morning to step back from the details and look at the overall effect of the APII work.

The following eight presentations were given followed by questions by the participants:

Environmental Results Program, Renee Lesjak-Bashel, Department of Commerce, Small Business Assistance Program

Environmental Results Programs (ERP) are what some see as the new generation in environmental protection. ERP is a three pronged approach that uses compliance assistance, self-certification, and performance measurement to measure compliance

across a whole industry sector. ERP is a proven tool to manage a large number of sources within an industry sector and help them all improve their environmental performance. WDNR is piloting an ERP with printers over the next couple years through a State Innovation Grant from EPA. The results will help determine how ERP will be applied at WDNR in the future. The pilot has made significant progress since the grant was awarded on July 1, 2005.

Dave Minkey asked a question relating to whether the printers might be required to model? Renee Bashel replied that she would likely follow the lead of the current ROP and use the level of 5 TPY particulate matter and below where they would not have to model. But based on calculations for the VOC caps that trigger eligibility for the printers, it is unlikely they'll have more than 8 TPY of particulate matter so maybe there's a way to avoid all modeling for such small sources. The idea hadn't been fleshed out or discussed at that point.

Dave Minkey asked about completing the workbook? Renee Bashel indicated that the air issues should be cleared up within a couple weeks and then some time mid-summer it might be ready to share -- but that would be with a limited audience.

EMS Permits Pilot, presented by Kristin Hart, DNR Air Permit Engineer

The EMS Permit Pilot Project is part of an EPA State Innovation Grant. EMS permits, also known as performance-based permits, combine the legal requirements of permitting with the continuous environmental improvement philosophy of EMS. This presentation is a brief outline of the elements of an EMS Permit and how it fits with traditional permitting and the Green Tier Law.

Questions following the presentation: Scott Manley asked specifically what incentives would be in the EMS permit? Kristin Hart replied that all the facilities wanted a cap on VOC emissions and then a variance from construction permitting requirements; Marci Kinter added that printers also wanted variance from their RACT rules so that emissions could be moved from press to press within a facility.

A participant asked if Green Tier was designed to drive continuous environmental improvement? Kristin Hart replied that Green Tier requires facilities to implement EMS that drive continuous improvement. Facilities getting an EMS permit will have to enroll in Green Tier.

A participant asked if anyone in Green Tier could get this type of permit. Kristin Hart responded that yes, a facility could ask for this type of permit as an incentive for superior environmental performance under Green Tier; Dave Minkey pointed out that by piloting this type of permit with the Printers, the difficult questions such as where to set the cap and how to define incentives and incorporate cross media would be done.

A participant asked if any thought was given re: the EMS replacing permit? Kristin Hart response: Hadn't thought about it that way..... No because facilities don't want their EMS

to be viewed as a permit; Marci Kinter interjected: ...lots of questions re: industries about confidential business information; Kristin Hart added: ...maybe other ways to deal with it through exemption from permitting but way in the future.

A participant asked:what sort of targets have been considered? Kristin Hart response: These participating facilities have already reduced VOC emissions from inks so there are a lot of reductions coming in other areas i.e. facilities are looking at environmental management programs around screen reclamation, solvent reuse, energy reduction, solvent reclamation from rags.

Update on Registration Permit Program, Caroline Garber, DNR Air Manager

Overview of Registration permits and what remains to be done.

Questions following the presentation: Scott Manley (WMC) asked whether there was a third way that a facility could be eligible for a registration operation permit: (1) meet the emission stack requirements in the rule (2) if don't meet the stack requirements then demonstrate via modeling that all air quality standards are met and (3) if an air dispersion model is not available to the facility, to rely on the department's air quality analysis for the registration permit. Caroline Garber responded that the third way is not an option, except that volatile organic compound emissions do not need to be modeled to demonstrate compliance with air quality standards since there is no air dispersion model available for this class of pollutants.

Scott Manley asked whether the modeling threshold level of 5 or more tons per year of particulate matter was final. Caroline Garber responded that it was the staff proposal, it was still being reviewed internally and had been shared with several industry and environmental groups for discussion. It may change.

The Permitting Puzzle, Jeff Hanson, DNR Air Mgt.

An overview of the different permitting options that will be available to sources as various APII tools are developed was presented. These options were discussed in relation to how they fit into the existing permitting programs.

Questions following the presentation: A participant asked a question re:about carrying a threshold that a source used for a construction permit exemption into an operation permit; Jeff Hanson replied that the parameters for the exemption would be stated in the operation permit; The follow-up question was how a source would relax that requirement; Jeff Hanson replied:through either a construction permit or a registration construction permit.

Scott Manley asked whether a source that had to model a future change under a ROP would have to submit the model to DNR and wait for us to approve it? Jeff Hanson gave the answer as no.

Public Involvement Products, Jerry Medinger, DNR Air Manager

Public involvement workgroup: progress made on products to improve general understanding of air permitting.

Draft Permit Exemption Rule Revisions, Steve Dunn, DNR Air Permit Engineer

Overview of the proposed revisions to the permit exemption rules was presented.

- 1) Question from Howard Hofmeister re: on NSR permit exemptions.....is it still overridden by incremental growth? Steve Dunn replied: Incremental growth no longer exists in the air program.
- 2) Question from Mark Thimke re: ...what happens if have option of knocking down to 10 tons and claim the exemption but go over three years later, that is, make a mistake....; SD response: We do not want facilities bouncing in and out of the exemption.. If they go over the 10 tons, they will need to get a permit.

Update on Integrated Permit System, Caroline Garber, DNR Air Manager

Overview of integrated permit system and what remains to be done.

Questions following the presentation: Ed Wilusz asked if an evaluation process will be built in? Caroline Garber said yes. We plan to evaluate the integrated permit system after about 6 – 9 months to see whether it is accomplishing the objectives. External stakeholders will be involved in the evaluation.

Question asked by a participant: does this mean that the idea of a statutory change to create a combined permit system is dead? Caroline Garber's response: That's the point Ed raised about evaluation – is the system working well enough or is a statutory change needed?

Overview of Information Technology Project, Andy Stewart, DNR Air Permit Engineer

Brief overview and status of technology being developed to support the APII. Primary focuses is on initial development of six components in 2006.

Meeting Adjourns 2:00 PM